

REFERENCE TITLE: teacher loan programs; geographic shortages

State of Arizona
House of Representatives
Forty-eighth Legislature
Second Regular Session
2008

HB 2271

Introduced by
Representative Schapira

AN ACT

AMENDING SECTION 15-1783, ARIZONA REVISED STATUTES; RELATING TO THE MATHEMATICS, SCIENCE AND SPECIAL EDUCATION TEACHER STUDENT LOAN PROGRAM.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 15-1783, Arizona Revised Statutes, is amended to
3 read:

4 15-1783. Mathematics, science and special education teacher
5 student loans: interest: obligations: repayment:
6 authority of attorney general

7 A. Each applicant who is approved for a loan by the board may be
8 granted a loan for a period of up to five years.

9 B. The board, on behalf of this state, shall enter into a written
10 contract with the student. The contract shall set forth the methods and
11 terms of repayment by the loan recipient to this state and shall be on terms
12 and conditions and in a form provided by the board. The contract shall
13 provide for the following:

14 1. The loan recipient shall begin the service commitment providing
15 instruction in the areas of mathematics, science or special education in a
16 public school in this state OR IN ANY SUBJECT IN A PUBLIC SCHOOL THAT IS
LOCATED IN A GEOGRAPHIC AREA IN THIS STATE THAT IS EXPERIENCING A SHORTAGE OF
TEACHERS, AS DETERMINED BY THE STATE BOARD OF EDUCATION, within one calendar
17 year after attaining a bachelor's degree at an accredited university in this
18 state. The service commitment shall be full time as determined by the board
19 and requires one year of service for each year of loan support plus one
20 additional year of service.

21 2. If the loan recipient engages in postgraduate studies without a
22 lapse of more than one calendar year following the completion of the loan
23 recipient's bachelor's degree at an accredited university in this state, the
24 loan recipient shall begin the service commitment required under paragraph 1
25 within one calendar year after completing postgraduate studies.

26 3. If the loan recipient is inducted into military service, or for any
27 other cause beyond the loan recipient's control deemed sufficient by the
28 board is unable to begin the service commitment required under paragraph 1
29 within one calendar year after completing a bachelor's degree and any
30 graduate studies, the loan recipient shall begin the service commitment
31 required under paragraph 1 within one calendar year after completing the
32 required military service or the termination of any other cause.

33 4. If the loan recipient fulfills the service commitment required
34 under paragraph 1 in a public school in this state or while completing
35 military service resulting from induction, the loan recipient's indebtedness
36 to this state may be discharged in one of the following ways:

37 (a) One year of full-time service required under paragraph 1 for each
38 year of loan support plus one additional year of service.

39 (b) Repayment to this state of the total loan amount for each year of
40 support with interest at the rate prescribed in subsection C.

41 5. If the loan recipient fails to complete the required course of
42 study, if the course of study is interrupted by one academic year or more for
43 a cause or causes not resulting from induction into military service or any

1 other cause beyond the loan recipient's control deemed sufficient by the
2 board or if the loan recipient fails to fully discharge the service
3 commitment required under paragraph 1, except for delays resulting from an
4 excusable cause as prescribed in this section, the amount of the loan not
5 repaid or fully discharged shall be due and payable with interest at the rate
6 prescribed in subsection C. The board may extend the time of payment over a
7 period not exceeding fifteen years and shall not require payment of interest
8 during the existence of any excusable cause as prescribed in this section.

9 6. If the loan recipient does not begin the service commitment
10 required under paragraph 1 within the time prescribed in this section but
11 paid an agreed part of the loan, the board may allow the loan recipient to
12 discharge the balance of the obligation by subsequent teaching in this state.

13 7. If the loan recipient dies during the period of the loan
14 recipient's education or practice as a teacher, the loan recipient's
15 obligation to this state under this article ceases.

16 8. A LOAN RECIPIENT MAY AT ANY TIME CHOOSE TO PROVIDE A DIFFERENT
17 CATEGORY OF SERVICE COMMITMENT PRESCRIBED IN PARAGRAPH 1 WITHOUT VIOLATING
18 THE CONTRACT.

19 9. IF THE LOAN RECIPIENT BEGINS THE SERVICE COMMITMENT REQUIRED UNDER
20 PARAGRAPH 1 IN A GEOGRAPHIC AREA IN THIS STATE THAT IS EXPERIENCING A
21 SHORTAGE OF TEACHERS, AS DETERMINED BY THE STATE BOARD OF EDUCATION, BUT THE
22 STATE BOARD OF EDUCATION SUBSEQUENTLY DETERMINES THAT THAT GEOGRAPHIC AREA IS
23 NO LONGER EXPERIENCING A SHORTAGE OF TEACHERS, THE LOAN RECIPIENT MAY
24 DISCHARGE THE BALANCE OF THE OBLIGATION BY COMPLETING THE SERVICE COMMITMENT
25 IN THE GEOGRAPHIC AREA WHERE THE LOAN RECIPIENT BEGAN THE SERVICE COMMITMENT.

26 C. The loan recipient shall repay the full amount borrowed at an
27 interest rate of at least seven per cent.

28 D. On receipt of supporting documentation, the board for good cause
29 shown may defer the loan recipient's service commitment or repayment
30 obligation or may enter into repayment arrangements with the loan recipient
31 or allow service that is equivalent to full-time service if the board
32 determines that this action is justified after a review of the individual's
33 circumstances. At the discretion of the board, the board may allow service
34 by teaching in another area of recognized need in this state that is not
35 specified in the student's contract, but only following prior written
36 approval by the board.

37 E. The attorney general may commence whatever actions are necessary to
38 enforce the contract and achieve repayment of loans provided by the board
39 pursuant to this article.